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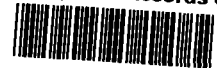
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February 11, 1991

VIA TELECOPY AND MESSENGER

EPA Region 5 Records Ctr.



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Brad Bradley
United States Environmental
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Remedial and Enforcement
Response Branch
230 South Dearborn Street
SHS-11
Chicago, IL 60604

Steven Siegel
United States Environmental
Protection Agency
Trans Union Building
111 West Jackson Boulevard
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Chicago, IL 60604

Re: NL Industries/Taracorp Superfund
Site Granite City, Illinois

Dear Brad and Steve:

The United States Environmental Protection Agency ("U.S. EPA") recently issued a unilateral order regarding the Remedial Design/Remedial Action at the site referenced above and extended the effective date until January 18, 1991. Certain parties responded with an offer on January 17, 1991 and requested a further extension, which was denied. At the time, we understood that an answer to the offer would be forthcoming from U.S. EPA shortly. We have now received the answer.

We take this opportunity to reiterate the intention of NL Industries, Inc., Johnson Controls, Inc., Allied-Signal Inc., and Exide Corporation to undertake work at the site immediately. Since the companies' previously stated disagreement with U.S. EPA will not affect the work until the cleanup reaches neighborhoods exhibiting less than 1,000 ppm lead concentrations, U.S. EPA can rest assured that the work will go forward in a timely manner while we continue to sort out our differences. We believe those differences can be resolved within the timeframe necessary to complete the Remedial Design and start the Remedial Action. As part of the Remedial Design phase, the companies also will

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characterize the surrounding area to 500 ppm as required in your order and do all other planning as if they were cleaning to 500 ppm since the companies were willing to address those areas as part of a compromise offer in any event. We do not view this commitment as an offer. This commitment is a response to U.S. EPA's order requiring the companies to perform. This response is, however, consistent with our previous offers. The companies respond to U.S. EPA's order by unequivocally committing to perform the work in the undisputed areas. Thus, U.S. EPA does not compromise any rights it may have against the companies by permitting work to begin.

Proceeding with the work should benefit both U.S. EPA and other interested parties. We understand that certain PRPs are seeking a carve-out of work at the site. We would work with those parties and U.S. EPA to structure a mechanism for those parties to resolve their liability to the United States. Perhaps a combination of commitments to perform work and cash settlements may be a way to reconcile the goals of the agency and the various PRPs. Those parties which have a relatively small stake in the site would no doubt like to buy out their liability. Permitting these parties to finance ongoing work through a de minimis consent order has merit, and we are willing to support such an effort.

The companies will contact Brad Bradley to set up a meeting so that work can begin within two weeks. In the meantime, if you have any questions or comments, please feel free to call any of the persons listed below.

Yours very truly,

Dennis P. Reis /wgd

Dennis P. Reis

cc: Thomas J. Courtney
Janet Smith
David G. Butterworth
Jeffery A. Lead
Pamela J. Cissik